

Description and Explanation of a Draft Assessment Model  
for Initial Implementation in Fiscal Year 2009-10  
MOBIUS Task Force on Financial Planning, May 2008

The accompanying spreadsheet distributes MOBIUS expenses among the entire membership and participants of MOBIUS, using data supplied by institutions and the MOBIUS office. In general, a successful assessment model should be equitable, transparent, understandable, repeatable and reliable, and derived from data which is reasonably easy to acquire. The Task Force believes that this model meets all of these requirements.

The spreadsheet has three tabs: (1) Budget, the revenue requirements needed to support MOBIUS; (2) Data, the statistical measures the Task Force selected as most representative or most easily accessible; and (3) Assessments, the budgetary costs distributed proportionately among the libraries.

The new assessment model is based on four data elements. These are not charges for specific services, but simply the best descriptive number available to represent fair and equitable relationships between libraries. Those parts of the model which do not apply to the four institutions with separate non-MOBIUS servers are highlighted in yellow in this document and on the attached spreadsheet.

1. **Membership and Administrative Costs:** a base cost, equal for all full member libraries, currently estimated at \$10,000 per library. This amount includes, but is not limited to, basic costs for training, the marginal cost for a courier stop, and administrative overhead to cover Council membership and Council meetings.
2. **Static size of the library.** Support of the MOBIUS system should be somewhat proportional to the size of the library. After examining patron records and bib records, it was decided that a count of item records was the most efficient and most representative number to use in determining the proportion of the MOBIUS system supporting each library.  
**Items (MCO) :** This ratio represents the administrative costs of maintaining a collection on the MCO central servers.  
**Items (Cluster):** This ratio represents the administrative costs of maintaining a collection on the cluster servers.
3. **Dynamic Use of the ILS system.** Even libraries of exactly the same size use the system in varying amounts, depending on staffing, type of collection, and mission of the institution.  
**Total Circulation Activity:** All of the libraries use the circulation system. Total circulation activity in the previous year yields a number which can represent how much the library in question uses the ILS system, compared to other MOBIUS libraries.  
**Licenses:** Historically the only number which was used in the previous formula is being retained as an estimate of staff use of the ILS system.
4. **Borrowing / Lending Transactions.** One of the core purposes of MOBIUS is providing efficient cost-effective sharing of resources. Use of this function varies significantly between libraries. It is agreed that the overhead costs involved should

be borne primarily by the borrowing institution. Because this number has the potential for being volatile and difficult to manage, all borrowing and lending data will be expressed as a three-year moving average.

**Cluster Borrowing:** This ratio indicates a given library's percentage of the total in-cluster borrowing done in the system.

**InnReach Borrowing:** This ratio expresses a given library's portion of the total InnReach (between cluster) borrowing done in the system.

**Total Lending:** This figure is a credit for lending institutions, expressed as a percentage of the budget, in which each library's portion of the total lending is subtracted from its assessment.

#### **CAVEATS:**

- (1) This spreadsheet model is only a rough draft, designed to demonstrate the direction in which the planning process is going. The Task Force plans to present a more complete model for approval at the September Council Meeting.
- (2) The budget on the model is less than 2% more than the 08-09 budget. An additional inflation factor and a contingency fund will have to be added before it is completed. Depending on the strategic planning process, additional staff positions or planned expenses may also increase the budget significantly.
- (3) This model contains only a single year (06-07) for the borrowing and lending data. When the MOBIUS office has finished collecting a three year average the assessment numbers may look quite different.
- (4) The MOBIUS office is researching past additions of Innovative software in separate clusters so that separate bills can be added for the maintenance of that software.
- (5) Custom services, such as additional courier stops, load profiling, and specialized training will be charged separately above the basic assessment figure.
- (6) This model will represent a significant change for many institutions, so it will be phased in gradually over a period of years.

Any suggestions, concerns, or questions can be addressed to the chair of the Task Force on Financial Planning:

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